

# EXHIBIT

7

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# INTRODUCTION

2014R00082/6

Volume 1

Δ π EXHIBIT Rm 12

Deponent	P.A.
Date	7/13/17 Rptr. 3
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Pursuant to Subpoena 2014R00082/6 dated February 4, 2014 by the United States District Court, New Jersey, enclosed is documentation supporting the embezzlement of \$1,575,754.10 by Miye (Karen) Chon, former Operations Officer at the BankAsiana East Fort Lee Branch in New Jersey.

Volume I contains documentation supporting the embezzlement. See the pages following for a narrative of the events through January 31, 2014. The original loss projection in the narrative has been reduced due to duplicate transactions or unauthorized transactions credited to another account of the customer. Following the narrative is a 1-page summary of the loss followed by a spreadsheet showing the detailed transactions supporting the loss. This was a classic "lapping" transaction in which "Peter was robbed to pay Paul". When reviewing the spreadsheet, although all the transactions were unauthorized or fraudulent, the loss currently resides in the transactions which are recorded in the column titled "Loss Amount". Support for the unauthorized transactions is found in the accompanying tabs by customer name. Karen's teller number was "203" and her user id was '████████'. Each of the transactions was traced either to her teller number or user id (look for the highlighted transactions) in the accompanying tabs.

Volume II contains copies of checks, withdrawal tickets, signature cards, etc. that we believe were forged by Karen. These involve either her husband's business partner's account or husband's business accounts. Karen dated her documents in a unique manner in which she always used a dot instead of a slash or hyphen to separate the day from the month from the year when dating documents. On her husband's business partner's account, the signer on the signature card was ██████████ but numerous checks were signed with the signature of her husband, Tae Kim, which we believe were forged by Karen. The BankAsiana deposit system (Jack Henry) recorded Tae Kim as a signer on the account but his name was not recorded on the signature card and from a legal standpoint the signature card supersedes the deposit system. We also believe that 6 of the signature cards for the above mentioned accounts were forged by Karen. Further, we believe that Karen controlled all the above accounts even though she was not a signer on any of them. We believe 239 financial transactions totaling \$452,569.94 were forged by Karen and another 241 financial transactions totaling \$255,113.77 were either signed by her husband (Tae) who is not an authorized signer on the account or were signed by Karen who forged her husband's signature. Although the above transactions were forgeries there was no loss to the above accounts because Karen replenished the funds on September 27, 2013 by stealing from ██████████ account. As a result, this issue is being disclosed solely to provide evidence of forgery and not embezzlement in reference to her husband's business partner's account and husband's business accounts.

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This is a status of the East Fort Lee Investigation as of 4:00 PM PST on February 25, 2014.

On January 24, 2014, Orest Hamersky, Internal Audit Manager, was asked to join Alicia Lee, Operations Administration Manager, and assist in the investigation of unauthorized certificate of deposit (CD) withdrawals conducted by Miye (Karen) Chon, former BankAsiana Operations Officer at the East Fort Lee Branch in New Jersey. Orest joined the investigation on January 26.

The embezzlement was detected when former BankAsiana customer [REDACTED] came to one of the former BankAsiana branches and inquired why the account numbers in the recently issued 1099-INT's did not match his records and why he did not receive a 1099-INT for one of his CD's. The reason for the account number differences was that the 1099-INT's contained converted account numbers rather than the BankAsiana account numbers which he was familiar with.

At the time of Orest's arrival, the number of accounts which had unauthorized withdrawal activity totaled 19 and the estimated loss exposure to the Bank was \$1,679,085. Unauthorized withdrawals were posted to the accounts of the following customers: [REDACTED] (age 37), [REDACTED] (age 95), [REDACTED] (age 84), [REDACTED] (age 87), [REDACTED] (age 90), [REDACTED] (age 80), and [REDACTED] (age 73). It does not appear that any of the above customers are aware of the unauthorized transactions on their CD's.

The initial investigation which revealed \$1,210,972 in unauthorized withdrawals was performed by Bo-Young Lee, Home Loan Coordinator, and Irene Lee, Operations Administration Officer, both former BankAsiana employees retained by Wilshire Bank (WB) located at the South Palisades operations center. The investigation was hampered by the fact that the transactions had to be researched on the BankAsiana deposit system (Jack Henry) and the fact that some of the account history had been purged. Since the account history of [REDACTED] had been purged, Irene found an alternate method through Synergy to identify that customer's unauthorized withdrawals. In addition, Irene is alleged to be a close friend of Karen. Irene has since submitted her resignation due to the strain of the events. Bo-Young's and Irene's investigation centered on reviewing manual postings to General Ledger Account # [REDACTED] 0101 (Currency & Coins) aka Vault Cash.

When Irene discovered the irregularities in vault cash she contacted Karen for an explanation. Karen requested a meeting with both Bo-Young and Irene which was held on January 22. In that meeting, she confessed stealing money from BankAsiana for years. Karen had been one of the original employees of the bank when it was founded in 2006. Karen also indicated that she funneled some of the misappropriated funds into her husband's business accounts and had forged his signature on checks. Her husband, Tae Kim, has several business accounts for his various bagel shops. Her husband's alleged partner, [REDACTED] was the first victim of the unauthorized withdrawals. The number of checks forged by Karen on that account alone are numerous. Her husband signed checks on that account even though his name was not on the signature card and she even forged his signature on checks. In fact, it is believed that not only she forged signatures on checks but that she forged her husband's and her husband partner's signatures on 6 of 9 signature cards. Karen's forgeries are easily recognizable not so much in the signature but rather in the way she dated the checks. She always used a dot instead of a slash or hyphen to separate the day from the month from the year when dating checks. On January 23, Alicia, as well as Bo-Young, and Irene met again with Karen at which time she again confessed to the

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crime and alleged that Suk Joon (James) Ryu, former BankAsiana Chief Operating Officer, was also involved in the embezzlement. She alleged that sometimes she delivered the stolen cash to him and at other times he came to the East Fort Lee Branch to pick up the cash.

With the assistance of Jake Seo, Chief Information Officer, Alicia's investigation centered on reviewing CD withdrawals posted by Karen (user id [REDACTED]). The report generated by Jake totaled \$3.2 million in CD account transactions which were posted by Karen from January 2010 – October 2003 and which was the basis of Alicia's high-end loss exposure reported in her memo dated January 23. Using that report, Alicia had to differentiate legitimate transactions from illegitimate transactions. Alicia's persistence led to further discoveries such as checks payable to New Millennium Bank and a personal loan to James in which an outside party paid at least one of his loan payments. It is alleged that James is an employee of New Millennium Bank and that Hong Sik Hur, former BankAsiana Chief Executive Officer, also has an interest in the Bank. Discussion with Jennie Han, Human Resource Manager, revealed that Karen was a former WB employee, acquired in the Liberty Bank of New York merger in 2006. At that time, Karen left the Bank through maternity leave under a cloud of suspicion since she and/or her employees allegedly had several cash shortages, of which \$10,000 was the largest. The Bank engaged CliftonLarsonAllen (CLA) to perform a forensics investigation. On January 27, Kanzaz Nguyen, Senior Manager, flew to New Jersey to join the investigation. Among other things, her role was to obtain the hard drives of the desktops and/or laptops of Karen, James, and Hong. Upon questioning Eunmoo Choi, MIS Manager, on January 28 and hearing various conflicting versions, it became abundantly clear that the control and security of desktops and laptops was non-existent. It appears now that Hong took his desktop home sometime after the merger and that James also took his desktop home which he alleged to be his own personal computer which he brought to the Bank. The whereabouts of the laptop purchased by the Bank for James on 12/30/11 is unknown. Kanzaz was able to image the hard drive on Karen's desktop and certain other unidentified hard drives that Eunmoo retained after employees left the bank. The search for the desktops and/or laptops resulted in reintroducing an issue that Eunmoo allegedly brought up with BankAsiana's senior management including Hong, James, Frank Gleeson, BankAsiana's former Chief Financial Officer, and briefly with WB management. Eunmoo, who was hired in January 2013, had concerns regarding BankAsiana's hardware and software vendor, F-One Communication owned by Paul Eom. Paul allegedly requesting payment in advance for purchases and did not always deliver the products. Whether BankAsiana senior management was no longer concerned with their assets when negotiating the merger with WB is unknown but the fact remains that control of the Bank's # 2 asset was non-existent. On January 29, Lisa Pai, Chief Legal and Human Resources Officer, requested that Orest include review of the F-One Communication invoices as part of his review. Of the 174 invoices paid to F-One Communication from 2007 – 2013, 28 were missing. Most of the missing invoices were paid in 2009 and 2010. It was suggested by both Eunmoo and Bo-Young that perhaps these invoices were requested by auditors in their annual reviews and they were returned in a separate file whose whereabouts are unknown. In addition, a \$300 payment was made to the vendor for "Paul's yearend and congratulatory grant for a new baby" which was obviously not supported by an invoice. A review of the accounts payable files supporting the disbursements to F-One Communication revealed none of the transactions were supported by a purchase requisition authorizing the purchase of the hardware; none of the transactions were supported by a purchase order committing the vendor to supply the product at an agreed-upon price and time; and none of the transactions were supported by a

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packing slip documenting the receipt of the products. In other words, procurement controls were non-existent too.

On January 29, Joel DeCapua, Special Agent of the FBI called Alicia to schedule an appointment to discuss the crime. That evening Alicia, Orest, Joel, and Carl, another Special Agent, met at the DoubleTree Hotel at Fort Lee and discussed the crime for 1.5 hours. Joel indicated that he will forward the case to the district attorney and indicated that he has seen them act within a range of 2 days to 2 years depending on circumstances such as workload, flight risk, etc. Joel expressed an interest to move on it immediately.

On February 4, Wilshire Bank and Wilshire Bancorp were served a subpoena to produce documents regarding the embezzlement by February 24. Among other topics discussed in the meeting was that Alicia recorded Karen's confession of January 23 on her cell phone. The recording is poor but still could be used as evidence as long as New Jersey Law does not require prior notification of the taping.

On February 7, a letter written by Michael Yi of the New York City law firm Lee, Anav, Chung, White & Kim LLP (outside legal counsel) was mailed via FedEx to James Ryu demanding return of the desktop, laptop, and severance payment. On February 7, CLA through a conference call updated WB on their progress of the forensics investigation. Among other topics discussed, CLA produced a spreadsheet listing possible unauthorized transactions totaling > \$2.8 million which they believed to be over and beyond the \$1.6 million already identified by Alicia. Orest subsequently reconciled all 82 transactions on the spreadsheet to the report run by Jake for Alicia. 59 transactions were recorded in Jake's report which Alicia reviewed; 16 transactions were < \$3,000 which appear to be below the threshold of Jake's report and are considered immaterial for this investigation; leaving 7 close-outs of CD's which did not appear on Jake's report. Orest reviewed the 7 close-out transactions and determined 6 to be legitimate but has concerns about the 7<sup>th</sup> for \$214,096.45 which will be discussed later.

Lisa flew to New Jersey the week of February 9. , James contacted her and scheduled a meeting. James denied any involvement in the embezzlement. Lisa also interviewed Karen who among other topics insisted that the loss to WB did not exceed \$1.2 million. Subsequent to the interviews, both James and Hong returned their desktops to WB. It was unclear whether James's laptop was returned. CLA obtained the hard drives for both desktops and is currently extracting and analyzing the data. Back in Los Angeles, while searching through e-mails on Karen's computer, Kristine discovered a \$160,000 SBA loan to [REDACTED] one of [REDACTED]'s businesses. In reviewing the loan history, there were 4 large principal paydowns of \$20,000 on 01/09/12; \$18,000 on 08/02/13; \$11,000 on 08/15/13; and \$12,500 on 08/20/13. Kristine surmised that the source of the principal paydowns may have been the following withdrawals from [REDACTED] and [REDACTED] accounts: 01/06/12 for \$60,000; 07/29/13 for \$60,000; and 08/12/13 for \$50,000. The 10-year loan was paid off 7 years early on 08/26/13 with a principal payoff of \$63,111.84. Orest determined the source of the payoff to be funds from Checking Account [REDACTED] 2354 ([REDACTED]). On 08/23/13, \$63,646.97 was transferred to the account from CD Account [REDACTED] 9590 ([REDACTED]). The CD account was opened on 04/04/11 for \$60,000 and was closed on 08/23/13. The source of the opening of the CD account is unknown because the data is unavailable on 4sight, most likely purged.

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An asset search performed on James and Karen by Sovereign Investigations on February 14 revealed James maintains a checking account at JPMorgan Chase totaling almost \$150,000 and Karen is a principal of a Japanese restaurant in Brooklyn whose property value alone has appreciated \$536,000 since 1998 but the property is owned by Paula Nicole Inc.

On February 21, Orest provided Lisa a 1-page summary of the loss; 3-page audit trail of the embezzled funds; and 2 binders of documentation supporting each unauthorized transaction and all documents believed to be forged by Karen in time for the subpoena deadline of February 24. The original loss projection (\$1,679,085) in the prior narrative has been reduced to \$1,575,754 due to duplicate transactions or unauthorized transactions credited to another account of the customer. As stated earlier, Orest is concerned about a 7<sup>th</sup> CD close-out transaction for \$214,096.45 on 10/01/13 found on CLA's spreadsheet. The withdrawal was from CD [REDACTED] 0094 [REDACTED] who is Karen's husband's business partner. This is the 1st account that Karen stole from. On 10/01/13 this account was closed and the funds were transferred to Account [REDACTED] 0330 [REDACTED]. This account was closed on 10/03/13 with a \$217,807.31 check payable to [REDACTED] and deposited at JPMorgan Chase. The close-out of the 1st account was posted by Karen and it is believed the check closing the 2<sup>nd</sup> account was forged by Karen. Internal Audit will mail a confirmation letter to [REDACTED] confirming both transactions. If the customer responds that both were unauthorized transactions, the loss to the bank will increase by \$217,807. Also, in preparing the documentation for the subpoena, all transactions with the exception of 1 were posted by Karen. On 12/15/11, the \$3,000 transfer from Account [REDACTED] 1307 (UB's Pizza & Bagel), one of Karen's husband's business account, to Account [REDACTED] 0381 (Karen Chon) was posted by Jenna Lee (Chung) who is now employed by the SBA Department in the Eastern Region. Orest will investigate this further. We believe 239 financial transactions totaling \$452,569.94 were forged by Karen and another 241 financial transactions totaling \$255,113.77 were either signed by her husband (Tae) who is not an authorized signer on the account or were signed by Karen who forged her husband's signature.

In conclusion, the embezzlement was a well-conceived plan to defraud the Bank, regardless of whether James was involved. Karen tested the control environment by conducting the first transactions through an elaborate transfer of funds through various accounts of her husband's alleged business partner. Seeing that this theft went unnoticed, she continued and disbursed the funds through vault cash. As time went on, the cash withdrawals increased with the largest single cash withdrawal of \$100,000 occurring on 11/01/12. The months with the largest cash withdrawals included November 2011 (\$234,190), January 2012 (\$130,000), and November 2012 (\$150,000). Since the cash was disbursed directly from vault cash, the transactions were not detectable for currency transaction reporting by the Bank Secrecy Act software (Yellow Hammer). This was a classic case of "lapping", stealing from one customer and when the CD neared maturity, stealing from another customer to cover the first customer. She chose her customers carefully, mostly elderly, hoping they would not notice or were deceased but she underestimated the oldest victim. She completed her final 2 lapping transfers of \$860,000 on September 27 and over \$350,000 on October 4, her last day of employment at WB. The loss was calculated by the sum of the shortages in [REDACTED] and [REDACTED] accounts which WB will need to replenish, if not already done so. Camera footage is no longer available which could have implicated James had he been involved. Internal Audit is currently reviewing the activity on Karen's, James's, and [REDACTED]'s BankAsiana and WB converted accounts to determine whether James and

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█████ also benefited from the embezzlement. So far, an initial review of James's account revealed an apparent \$15,000 loan from Kore Consulting on 05/13/10 which appeared to be paid back on 01/13/12 by an apparent \$18,000 loan from Soyu Architecture which appeared to be paid back in \$1,500 monthly installments ending on 01/15/13. The review also revealed a \$25,000 personal loan from BankAsiana on 10/15/10 which was paid off on 10/18/13 and 2 \$549 payments on a 401K loan in October and December 2013. The review of █████'s and Karen's accounts are expected to be completed by February 28. On February 7, under Section 314(b) of the BSA, Orest requested via Alix information from JPMorgan Chase regarding 2 accounts where Karen deposited large checks drawn on BankAsiana which has not been received yet.

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LOSS SUMMARY

2014R00082/6

Volume 1

WB802

## East Fort Lee Investigation Loss Summary

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<u>Loss Amount</u>	<u>Account Where Loss Resides</u>	<u>Customer Name</u>
\$74,999.33	7826	
\$88,000.67	7834	
\$57,223.61	1406	
\$200,000.00	3510	
\$240,000.00	0960	
\$220,000.00	0994	
\$200,000.00	1547	
\$209,484.56	6215	
<u><b>\$141,487.05</b></u>	2453	
<b>\$1,431,195.22</b>		

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AUDIT TRAIL

2014R00082/6

Volume 1

WB804

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Audit Trail of Embezzled Funds																
Date	Amount	Debit	Debit	Debit	Credit	Credit	Date	Amount	Debit							
		Account Number	Account Name	Type	Account Number	Account Name		Account Number	Account Name							
03/10/10	\$35,000.00	████████094	████████	Cashiers Check	████████307	UB's Pizza & Bagel	03/11/10	\$5,000.00	████████307	UB's Pizza & Bagel						
							03/12/10	\$2,000.00	████████307	UB's Pizza & Bagel						
							03/15/10	\$6,000.00	████████307	UB's Pizza & Bagel						
							03/16/10	\$8,000.00	████████307	UB's Pizza & Bagel						
							03/18/10	\$5,000.00	████████307	UB's Pizza & Bagel						
							03/19/10	\$4,000.00	████████307	UB's Pizza & Bagel						
							03/24/10	\$5,000.00	████████307	UB's Pizza & Bagel						
							03/25/10	\$6,000.00	████████307	UB's Pizza & Bagel						
							03/31/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							04/13/10	\$400.00	████████307	UB's Pizza & Bagel						
							04/28/10	\$1,500.00	████████307	UB's Pizza & Bagel						
							04/29/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							04/30/10	\$500.00	████████307	UB's Pizza & Bagel						
							05/03/10	\$100.00	████████307	UB's Pizza & Bagel						
							05/05/10	\$2,000.00	████████307	UB's Pizza & Bagel						
							05/10/10	\$2,300.00	████████307	UB's Pizza & Bagel						
							05/12/10	\$1,500.00	████████307	UB's Pizza & Bagel						
							05/13/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							05/21/10	\$2,000.00	████████307	UB's Pizza & Bagel						
							05/28/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							06/01/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							06/08/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							06/10/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							06/11/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							06/29/10	\$500.00	████████307	UB's Pizza & Bagel						
							06/30/10	\$500.00	████████307	UB's Pizza & Bagel						
							07/06/10	\$3,000.00	████████307	UB's Pizza & Bagel						
							07/06/10	\$200.00	████████307	UB's Pizza & Bagel						
							07/09/10	\$500.00	████████307	UB's Pizza & Bagel						
							08/19/10	\$80.00	████████307	UB's Pizza & Bagel						
							08/20/10	\$2,000.00	████████307	UB's Pizza & Bagel						
							08/20/10	\$2,000.00	████████307	UB's Pizza & Bagel						
							08/20/10	\$1,000.00	████████307	UB's Pizza & Bagel						
							09/01/10	\$2,000.00	████████307	UB's Pizza & Bagel						
										Checking Withdrawal						
09/08/10	\$3,300.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	10/08/10	\$1,000.00	████████307	UB's Pizza & Bagel						
10/07/10	\$4,000.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	10/19/10	\$3,000.00	████████307	UB's Pizza & Bagel						
							10/20/10	\$1,000.00	████████307	UB's Pizza & Bagel						
11/19/10	\$3,000.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	12/03/10	\$2,000.00	████████307	UB's Pizza & Bagel						
12/03/10	\$4,000.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	12/29/10	\$3,000.00	████████307	UB's Pizza & Bagel						
12/29/10	\$300.00	████████094	████████	Deposit	████████307	UB's Pizza & Bagel	01/05/11	\$1,000.00	████████307	UB's Pizza & Bagel						
01/04/11	\$3,500.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	01/05/11	\$500.00	████████307	UB's Pizza & Bagel						
02/09/11	\$4,000.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	03/04/11	\$1,030.00	████████307	UB's Pizza & Bagel						
							03/21/11	\$3,000.00	████████307	UB's Pizza & Bagel						
03/21/11	\$3,500.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	11/16/11	\$100.00	████████307	UB's Pizza & Bagel						
04/07/11	\$3,500.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	11/18/11	\$200.00	████████307	UB's Pizza & Bagel						
05/08/11	\$4,000.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	11/21/11	\$2,350.00	████████307	UB's Pizza & Bagel						
06/08/11	\$3,500.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	11/22/11	\$2,100.00	████████307	UB's Pizza & Bagel						
07/07/11	\$4,000.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	12/15/11	\$3,000.00	████████307	UB's Pizza & Bagel						
08/08/11	\$3,600.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	01/11/12	\$360.00	████████307	UB's Pizza & Bagel						
09/06/11	\$3,500.00	████████094	████████	Transfer	████████307	UB's Pizza & Bagel	01/13/12	\$1,800.00	████████307	UB's Pizza & Bagel						
							01/20/12	\$600.00	████████307	UB's Pizza & Bagel						
										Transfer						
										09/27/13	\$200,000.00	████████510	████████	Transfer	████████094	████████

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Audit Trail of Embedded Funds									
Date	Amount	Debit	Debit	Credit	Credit	Date	Amount	Debit	Credit
		Account Number	Account Name	Type	Account Number	Account Name		Account Number	Account Name
Debit									
01/18/12	\$20,000.00	1307	UB's Pizza & Bagel	Check 1268					
02/14/12	\$200.00	1307	UB's Pizza & Bagel	Transfer					
02/15/12	\$890.00	1307	UB's Pizza & Bagel	Transfer					
02/16/12	\$200.00	1307	UB's Pizza & Bagel	Transfer					
02/16/12	\$300.00	1307	UB's Pizza & Bagel	Transfer					
02/17/12	\$300.00	1307	UB's Pizza & Bagel	Transfer					
02/21/12	\$900.00	1307	UB's Pizza & Bagel	Transfer					
02/23/12	\$400.00	1307	UB's Pizza & Bagel	Transfer					
03/20/12	\$300.00	1307	UB's Pizza & Bagel	Transfer					
03/21/12	\$1,100.00	1307	UB's Pizza & Bagel	Transfer					
03/26/12	\$2,000.00	1307	UB's Pizza & Bagel	Checking Withdrawal					
03/26/12	\$1,500.00	1307	UB's Pizza & Bagel	Transfer					
03/28/12	\$100.00	1307	UB's Pizza & Bagel	Transfer					
03/29/12	\$60.00	1307	UB's Pizza & Bagel	Transfer					
05/16/12	\$120.07	0094		Transfer	7248				
07/11/12	\$130.78	0094		Transfer	8592				
Credit									
07/25/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
07/26/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
07/26/12	\$2,000.00	1307	UB's Pizza & Bagel	Transfer					
08/02/12	\$300.00	1307	UB's Pizza & Bagel	Transfer					
08/09/12	\$700.00	1307	UB's Pizza & Bagel	Transfer					
08/13/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
08/14/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
08/16/12	\$700.00	1307	UB's Pizza & Bagel	Transfer					
08/22/12	\$300.00	1307	UB's Pizza & Bagel	Transfer					
08/23/12	\$3,000.00	1307	UB's Pizza & Bagel	Checking Withdrawal					
08/24/12	\$3,000.00	1307	UB's Pizza & Bagel	Transfer					
08/28/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
08/28/12	\$2,000.00	1307	UB's Pizza & Bagel	Checking Withdrawal					
08/30/12	\$3,000.00	1307	UB's Pizza & Bagel	Checking Withdrawal					
08/31/12	\$2,000.00	1307	UB's Pizza & Bagel	Transfer					
09/04/12	\$3,000.00	1307	UB's Pizza & Bagel	Transfer					
09/04/12	\$600.00	1307	UB's Pizza & Bagel	Transfer					
09/05/12	\$400.00	1307	UB's Pizza & Bagel	Transfer					
09/06/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
09/06/12	\$6,000.00	1307	UB's Pizza & Bagel	Transfer					
09/07/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
09/07/12	\$3,000.00	1307	UB's Pizza & Bagel	Transfer					
09/07/12	\$4,000.00	1307	UB's Pizza & Bagel	Transfer					
09/10/12	\$27,000.00	1307	UB's Pizza & Bagel	Check 1240					
09/10/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
09/11/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
09/11/12	\$4,000.00	1307	UB's Pizza & Bagel	Transfer					
09/12/12	\$1,000.00	1307	UB's Pizza & Bagel	Transfer					
04/29/13	\$20,000.00	0094		Transfer	8307	UB's Pizza & Bagel			
04/29/13	\$4,000.00	1307	UB's Pizza & Bagel	Check 1275					
04/29/13	\$500.00	1307	UB's Pizza & Bagel	Transfer					
04/29/13	\$500.00	1307	UB's Pizza & Bagel	Transfer					
04/30/13	\$150.00	1307	UB's Pizza & Bagel	Transfer					
04/30/13	\$4,850.00	1307	UB's Pizza & Bagel	Transfer					
05/02/13	\$2,000.00	1307	UB's Pizza & Bagel	Transfer					
05/03/13	\$1,500.00	1307	UB's Pizza & Bagel	Transfer					
05/03/13	\$10,000.00	1307	UB's Pizza & Bagel	Check 1276					
06/03/13	\$1,200.00	1307	UB's Pizza & Bagel	Transfer					
06/05/13	\$1,300.00	1307	UB's Pizza & Bagel	Transfer					
06/05/13	\$2,500.00	1307	UB's Pizza & Bagel	Transfer					
07/01/13	\$200.00	1307	UB's Pizza & Bagel	Transfer					
07/03/13	\$120.00	1307	UB's Pizza & Bagel	Transfer					
07/03/13	\$400.00	1307	UB's Pizza & Bagel	Transfer					
05/02/13	\$5,000.00	0094		Transfer	8307	UB's Pizza & Bagel			
06/06/13	\$5,000.00	0094		Transfer	8307	UB's Pizza & Bagel			

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Debit						Debit						Audit Trail of Embezzled Funds						Debit						
Date	Amount	Account Number	Account Name	Type	Credit	Date	Amount	Account Number	Account Name	Type	Credit	Date	Amount	Account Number	Account Name	Type	Credit	Debit	Debit	Debit	Debit	Credit	Credit	
<b>Note: Transactions in red represent disbursements out of Karen Chon husband business partner's [REDACTED] account which appeared to benefit Karen Chon or her husband Tae Kim. There were many other disbursements which appeared to be legitimate business transactions. It does not matter whether the embezzled funds from [REDACTED] account paid illegitimate or legitimate business transactions because this account was replenished on 09/27/13 by the embezzlement of \$200,000 from [REDACTED] Account [REDACTED] BS10.</b>																								
(a) = \$107,120.71 - \$70,000 - \$34,600 - \$47.31 = \$2,473.60																								
(b) = \$102,363.85 - \$40,000 - \$10,000 - \$30,000 - \$22,370 - \$2.45 = -\$8.60																								
(c) = \$141,487.05 - \$2.18 - \$60,000 - \$70,000 = \$11,484.87																								
(d) = Over replenishments in (a) and (c) above included interest earned on the accounts.																								

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